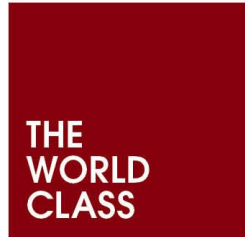
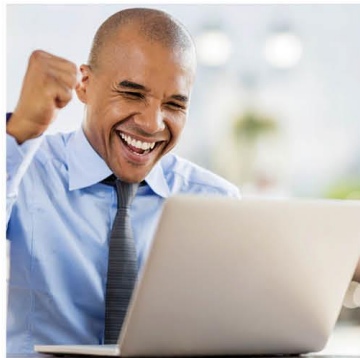




**MONASH  
SOUTH AFRICA**

**THE  
WORLD  
CLASS**

EXPERIENCE INTERNATIONALITY EMPLOYABILITY



# Unlocking the hidden benefits to business

## HB Klopper



## What to expect

- Revisiting the essential purpose of the PoPI Act
- Typical questions you may have
- The manifestation of PoPI in business (...on the surface)
- 4 Common misconceptions
- 8 Conditions mandated by PoPI
- The value of compliance with the PoPI Act
- Practical applications to be considered by business
- Additional administration required
- Turning the “compliance burden” into a sustainable competitive advantage
- Contextualisation related to the Digital Transformation Model of Laserfiche
- So what are the 11 hidden benefits?





## The essential purpose of the PoPI Act is to...

**provide parameters** for South African businesses for the

- collection,
- processing,
- storing; and
- Sharing / updating of any personal information supplied to them

**holding them accountable** for any

- loss; or
- abuse of any information they possess.

**It protects what you value in your business**

- by preventing identity theft and abuse when disseminating
- protecting your database as a valuable business asset





It gives effect to the **Constitutional Right** of

# **P** **RIVACY.**

**PERSONAL INFORMATION  
PROCESSING**

It introduces measures to ensure that

**Fair**  
**Responsible**  
**Secure**



## Typical questions you may have

- Am I really affect by the PoPI Act?
- Where does King IV fit in?
- What do I need to know about data privacy & protection of personal information?
- What do I need to do about the protection of personal information?
- Where does the rules of protection of personal information applies?
- Who at business needs to take action on the PoPI Act?
- When do I need to take action on data privacy and protection of personal information?
- How do I apply PoPI Act compliance at work?
- How must I integrate the protection of personal information in my company?







## On the surface



- **Shredding becomes important** as it brings a focus on **effective destruction of personal information**
- **Increased training courses** as companies demonstrate that they **take data privacy and protection seriously**
- **Establishment of protocols** in companies to deal with **process and strategies and encryption or safeguarding of data**
- **Demonstrating international competitiveness** as companies prove to investors and other stakeholders that they **respect the right to privacy**



# Misconception

*Too many organisations are led to believe that privacy policies, notices, consent and choice forms are the most important aspects to establish the base of privacy compliance.*

Clarification:

- The above principles tend to lose their value if they are not **integrated into a more comprehensive approach to privacy**, which include **capabilities** such as data management, risk assessment, governance, risk and compliance frameworks and IT security and control practices amongst others.
- The biggest **challenge** for business remains their **ability to prove compliance** to the Act, which brings the challenge of **enforcement** and the **expected measurement thereof**, not only to the organisation but also to the parties responsible to audit compliance.



## Misconception

*PoPI is a human resources department thing that only apply to employees working in the business*

Clarification:

- It is a procurement, customer service and IT department “thing” too, that need to be **integrated into the whole organisation**, becoming the **responsibility of all** throughout the organisation (...organisation wide responsibility)
- You also need to **ensure that your suppliers are** also PoPI **compliant**, especially provisions related to the way in which they hold personal information on your clients.

2





## Misconception

*Protecting of personal information is the same as confidentiality in business*

Clarification:

- PoPi is about **privacy** which is good for business
- It prevents the **unlawful disclosure of personal information**
- **Ensure** that all South African **business conduct themselves responsibly** when collecting, processing, storing and sharing personal information
- PoPI **regulates** how **information** is used, the manner and reason for which it is processed (through the information management lifecycle, from collection, to usage, sharing, disposal and archiving) and also regulates who such information is shared with.

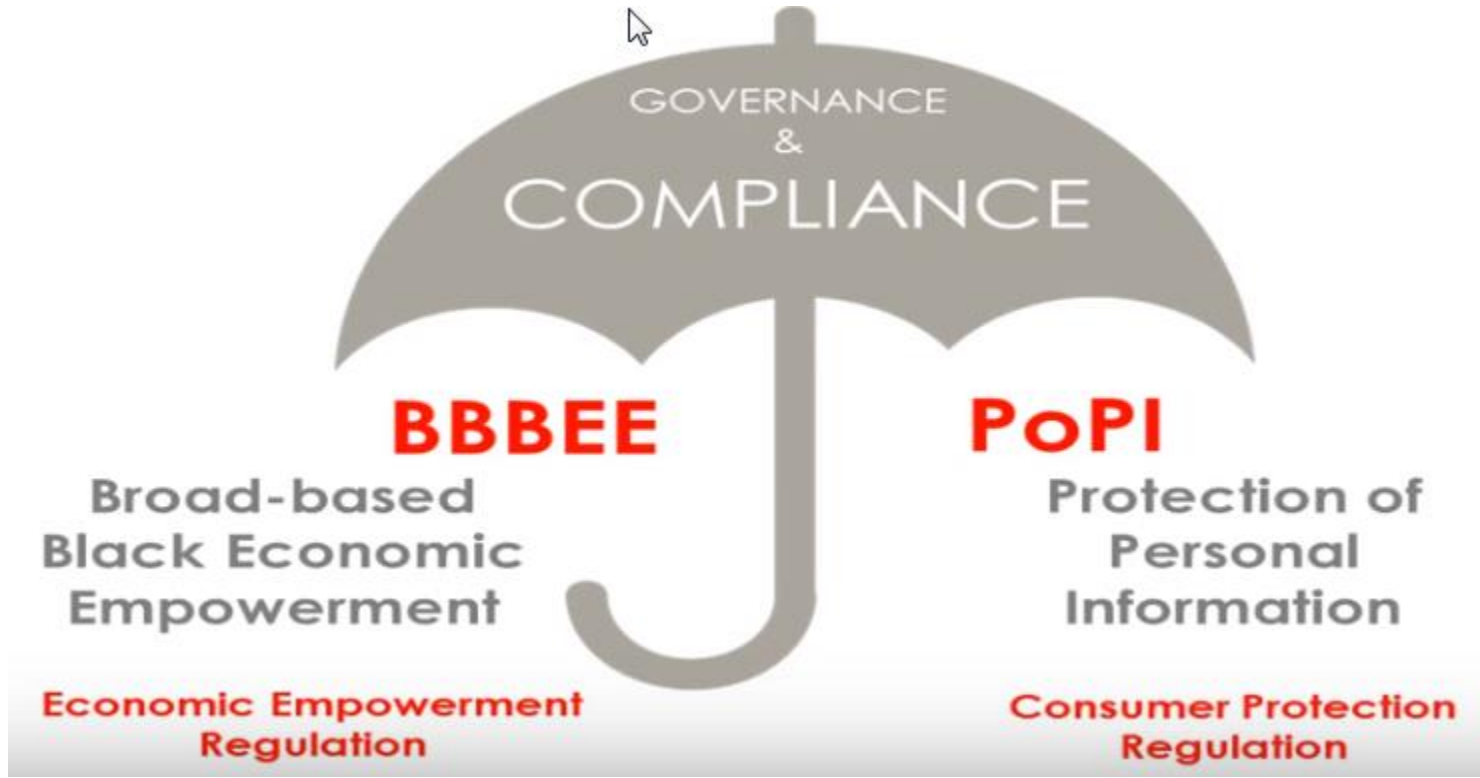


# Misconception

*PoPi has something to do with BBBEE*

Clarification:

4





## PoPI mandates the following 8 conditions...

for the lawful handling and processing of information:

1. **Accountability** – companies receiving information are accountable for the manner in which the information is handled, processed and disseminated; Client consent is required before any personal information is shared;
2. **Processing limitations** - Personal information may only be processed in a fair and lawful manner and only with the consent of the consumer (data subject);
3. **Purpose specification** - Personal information may only be processed for specific, explicitly defined and legitimate reasons;
4. **Further processing limitations** - Personal information may not be processed for a secondary purpose unless that processing is compatible with the original purpose;



## PoPI mandates the following 8 conditions...

for the lawful handling and processing of information:

5. **Information dissemination and quality** – Information needs to be accurate and well maintained, and only accessed or used by those who, by law, require access to the information;
6. **Openness** - The person whose information is being collected must be aware that the company is collecting such personal information, and why;
7. **Security standards** - Personal information must be kept secure against the risk of loss, unauthorised access, interference, modification, destruction and disclosure;
8. **Data subject participation** - People may request information as to where their personal information is held, as well as be involved in the correction and/or deletion of any personal information held about them.



## The value of compliance with the PoPI Act...

- **is affordable** (although complying with the legislation is most certainly going to affect a business's bottom line, these costs is significantly less compared to the fines potentially placed on transgressors.)
- **act as driver** to address the latest **market and consumer requirements**
- **betters fulfilment** with existing responsibilities, retaining clients and innovating products and services





## In practical terms companies must ...

- **balance the reality of fines and penalties** resulting from non-compliance with the PoPI Act with the **benefits of privacy as a value proposition** to business.
- **instil trustworthiness** between business, its clients, suppliers and employees as an established business value
- always **make the consumer aware of the purposes** for which any personal information will be used, and confirm that it will be destroyed after this purpose is achieved
- **ensure that the correct safety measures are in place** to keep the data confidential and unaltered, which requires an investment in the best possible security systems and processes (...and training of staff herein)





## In practical terms companies must ...

- comply with consumer requests to updating of or deletion of **personal information** (such as ID numbers and contact details) and **special personal information** (such as gender, race, religion, criminal records and medical history) which required different tiers of security
- each create their own effective and appropriate privacy policies and practices in order to protect personal information of data subjects at all times
- provide evidence of their efforts dealing with privacy risks and mitigations





## It requires additional administration, such as...

- Written agreements required with service providers to confirm compliance to PoPI Act;
- The need to be open to system inspections by clients, as well as being prepared to provide data maps confirming storage and backup locations, and access management and tracking;
- The need to be able to show service provider's landscape and back-end solutions to verify that they are secured according PoPI act requirements;
- To ensure any cross-border data transfers comply accordingly, including mail and mobile synchronisation;
- To secure/encrypt all relevant transmissions;
- The alignment of data retention policies between service providers and their clients; and
- That solutions include sufficient protection by design which are also ensured in delivery.



## Turning the “compliance burden” into a competitive advantage (CA)

### *Consider the relationship between compliance with governance, legislation requirements and competitive advantage*

- **Governance (G)** (...applies to all organisations) as the exercise of ethical and effective leadership by the governing body towards the achievement of the following governance outcomes: ethical culture, good performance, effective control and legitimacy (King Report, 2016:11)
- **Risk management (R)** (...applies to all organisations) is essential about dealing with uncertainty in all its forms as well as future events which may have a positive or negative impact on the ability to achieve a set of objectives and on the future of the organisation as a whole.
- **Compliance (C)** (...applies to those individuals and organisations which fall under the scope of one or more pieces of legislation [PoPI Act, 2013] or code [King IV], whether enacted in law or as the result of a voluntary action, such as joining a professional body or other institution which has a set of rules which must be complied with)



## Moving from CA to Sustainable CA (SCA)

- The challenge is not just to **create** but to **sustain** a competitive position.
- Establish a **multi-functional steering committee**
- This is where compliance comes in. Whether it is compliance with a code of governance or with a piece of legislation, experience has shown that **value can be both created and destroyed** through an appropriate, value-adding approach to compliance or an inappropriate, value-destroying approach.
- **Plan and budget** for implementation of your privacy programme at work





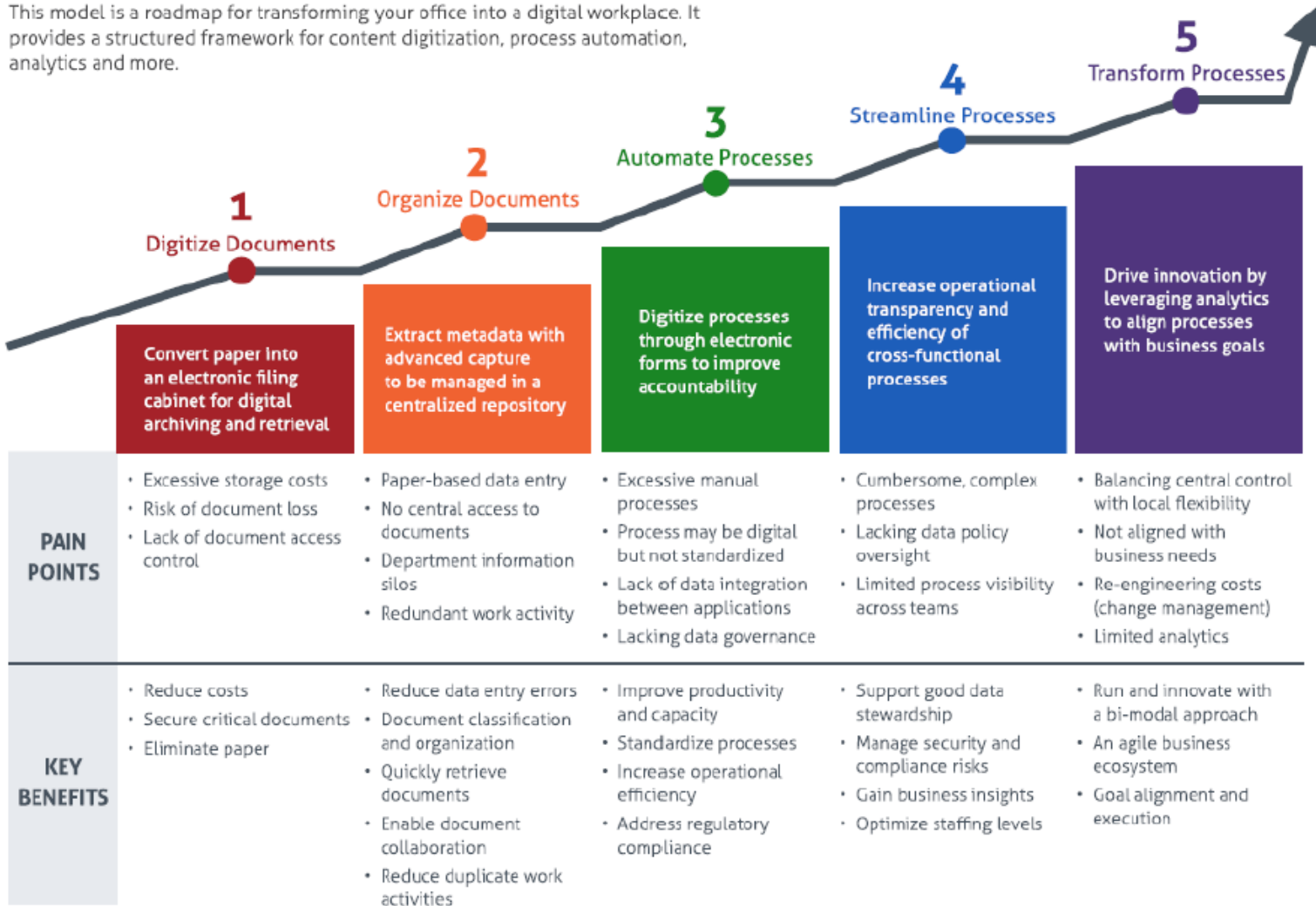
## Examples include:

- new or enhanced products or services;
- improved operating processes and procedures;
- increased customer, supplier, partner, investor and employee confidence;
- superior reputation compared with competitors who can't demonstrate a similar level of compliance;
- ability to enhance the customer's compliance status through being compliant oneself;
- ability to compete where compliance is a requirement;
- ability to demonstrate characteristics not normally associated with the size of one's organisation ('punching above one's weight');
- brand and reputation enhancement; and
- creation of value-adding media coverage through early adoption of compliant behaviour.



# Laserfiche's Digital Transformation Model for PoPI compliance

This model is a roadmap for transforming your office into a digital workplace. It provides a structured framework for content digitization, process automation, analytics and more.







## So what are the hidden benefits?

1. Complying with PoPI ensure a **good measure of control** over who accesses and used the personal information and for what purposes.
2. It forces businesses to **handle and manage their data better and more effectively** through implementing a unified platform for data management ensuring **improved quality of data**.
3. **Improved customer relationship**. Customer satisfaction increase when customers know that their information and interaction with organisations are secure and protected.
4. Having information in a **centralised location**, using Cloud technology for instance allows **faster access from anywhere** and improved processes which **enhance customer experience**
5. **Automation of data processing** also carries additional benefits such **speeding up application and approval processes**.



## So what are the hidden benefits?

6. **Improvement of overall business management.** While an organisation is reviewing the existing systems for information sourcing, processing and storage, there is great potential to spot and correct any inefficient systems.
7. Potential clients can for instance complete an online application and **receive approvals within minutes** as various data models allow for instant connection to statutory bodies for the verification of the applicant's address, financial status, legal status, credit record and more.
8. This “**easy access**” may sound alarming and counterproductive to the PoPI Act, but the PoPI Act's security mandates also mean that, while this information can be readily accessible with the right tools, it must also be **handled responsibly and safely.**



## So what are the hidden benefits?

9. **Cyber security becomes a priority** for the business who are automating and centralise their data – particularly when they make use of Cloud technology.
10. In an effort to avoid fines, penalties and even imprisonment, depending on the severity of the violation, **companies become much more proactive** with regards to security rather than being reactive.
11. Companies ensure protection be by **governing and managing various rights, facilitating and controlling access, and monitoring user activity.**





# Thank You!

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